

DELAWARE HEALTH FACILITIES AUTHORITY
NOTICE OF PUBLIC HEARING ON THE PROPOSED ISSUANCE OF BONDS

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") is scheduled to be held by the Delaware Health Facilities Authority (the "Authority") on Tuesday, May 7, 2013 at 1:00 p.m. at Hercules Plaza, 1313 N. Market Street, 6th Floor, Wilmington, Delaware. This public hearing is being held in connection with the request by Nanticoke Memorial Hospital, Inc. (the "Hospital") to the Authority to issue its revenue bonds, Series 2013 ("2013 Bonds"), the proceeds of which will be used for one or more of the following purposes: (1) to refund the Authority's outstanding Series 2002A and Series 2002B Revenue Bonds, Nanticoke Memorial Hospital Project, which originally financed or reimbursed the Hospital for various capital projects consisting of (a) the renovation and expansion of the Hospital's radiology department to be approx. 8,500 sq. ft., (b) construction of an oncology center approx. 25,000 sq. ft., (c) expansion of the Hospital's emergency room approx. 6,000 sq. ft., and (d) construction of a two-story parking garage and expansion of existing surface parking lots to provide for an additional 136 automobiles; (2) to fund any required debt service reserve fund; and (3) to finance the costs of issuing the 2013 Bonds (collectively the "Project").

The Hospital will continue to own and operate the facilities which will benefit from the Project. The Hospital is a not for profit organization described in Section 501(c)(3) of the Code.

Location of the Project: The Hospital is located at 801 Middleford Road, Seaford, Sussex County, Delaware.

The Authority will issue its 2013 Bonds in the maximum aggregate amount not to exceed \$50,000,000. It is intended that interest on the 2013 Bonds will not be included in the gross income of the owners thereof for federal income taxes pursuant to Section 103 and 145 of the Code.

The 2013 Bonds will be special limited obligations of the Authority payable solely from payments to be made by the Hospital under certain financing agreements and from certain other sources provided therein. THE 2013 BONDS WILL BE LIMITED OBLIGATIONS OF THE AUTHORITY AND WILL NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF DELAWARE (THE "STATE") OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, OTHER THAN THE AUTHORITY, OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWERS OF THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, INCLUDING THE AUTHORITY. THE AUTHORITY HAS NO TAXING POWERS.

The Authority will at the above stated time and place hear all persons with views in favor of or opposed to the issuance of the 2013 Bonds, the Project owner and user or the location of the Project. A report of the hearing will be made available to the Governor of the State. Approval of the issuance of the 2013 Bonds by the State through its Governor is necessary under the Code.

Additional information concerning the proposed 2013 Bonds issue may be obtained in advance of the hearing from Steven Rose, Chief Executive Officer, at the Hospital (302) 629-6611 or the Authority's General Counsel, John J. Quinn, III, Esq., at (302) 984-6000.